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C O N F I D E N T I A L SECTION 01 OF 02 DUBAI 001692

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E.O. 12958: DECL: 3/19/2016 TAGS: <u>ECIN ECON PGOV ETRD AE</u>

SUBJECT: DUBAI AND NORTHERN EMIRATES CONTINUE IPR EFFORTS

REF: DUBAI 00326

CLASSIFIED BY: Jason L. Davis, Consul General, Dubai, UAE. REASON: 1.4 (d), (e)

1.(U) Summary: Dubai Customs held an in-house training seminar to improve inspectors ability to combat piracy and counterfeiting. The Business Software Alliance President visited Dubai to praise UAE anti-piracy efforts. While Dubai Police and Courts continue to punish some IPR offenders, a case involving unlicensed software being used in several Sharjah companies' offices still awaits effective action by officials there. End Summary.

Dubai Customs Holds In-House IPR Training

2.(U) In mid-February, Dubai Customs' IPR Unit, managed by Yousuf Ozair, held the first of what is envisioned as a recurring in-house IPR training seminar for customs inspectors. Customs brought in corporate IPR experts from Dubai and Europe to give presentations to approximately 20 officers. Customs hopes to eventually cycle every one of its inspectors through the weeklong seminar. The course seeks to make officers more aware of IPR issues and ways to combat piracy and counterfeiting.

BSA President Touts UAE's IPR Success

3.(U) In a 25 February meeting, Robert Holleyman, President of the Business Software Alliance (BSA), told the Consul General he is very pleased with the work that Dubai and the UAE perform to protect IPR. CG also met with Jawad Al Redha, Middle East Co-chairman for BSA and Scott Butler, CEO of the Arabian Anti-Piracy Alliance, both based in Dubai. While in Dubai, Holleyman touted BSA statistics indicating the UAE has the lowest rate of piracy in the Middle East and North Africa (reftel). He told the English-language daily newspaper Gulf News "The UAE has led the way in the region and it is encouraging to know that we are headed in the right direction. The local governments have extended their total support and commitment by working in close coordination with BSA and adopting various anti-piracy measures." Holleyman believes that if the UAE cut its piracy rate by an additional ten percent (from 34 percent to 24 percent), 350 million dollars and 650 jobs would be added to its economy.

Ongoing IPR Cases in Dubai & Sharjah

- 4.(U) On March 14, Dubai Courts sentenced a shop owner convicted of selling illegal satellite television smart cards and decoder boxes to three months in jail and a 50,000 dirham (approximately 13,620 USD) fine, according to Al Bayan newspaper. Continuing a crackdown on illicit theft of encoded broadcast signals, Dubai Police confiscated more than 100 decoders being used by laborers in their residence camps, as reported in Gulf News on March 18.
- 5.(C) PolEconOff met with Estee Lauder Companies (ELC) representatives Graham Clemence, Director of Security and Trademark Protection, and Frank Mentgen, Manager of Global Trademark Protection, while they were in town to make a presentation at Dubai Customs' IPR training seminar. After the training session, ELC told customs it has tracked three companies based in Dubai that are shipping low quality knock-offs to European markets. ELC believes the products are manufactured in China. Customs told ELC there was nothing it could do about product already transshipped to Europe, but that Customs would take action if given information about future shipments.
- 6.(C) On February 21, CG and PolEconOff met with representatives of Mars Inc., and their local legal counsel, to discuss trademark issues the company is having. Evie Kyriakides, Mars Inc. Regional Trademark Counsel, and Ahmed Bayoumi, General Manager of Master Foods (the Jebel Ali Free Zone-based producer and rights holder of Mars brand products) complained of Dubai-based companies importing, from Turkish manufacturers, products whose packaging resembles that of familiar Mars products. Mars has been attempting to address the problem through Turkey's judicial system for several years, but progress has been slow and unsatisfactory. (CG asked whether Mars had alerted USTR to this problem so that it could be addressed via the Special 301 Report submission process; Mars reps indicated that they had not.) Given Mars Inc's frustration in dealing

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with the look-alike problem at its source (in Turkey), Kyriakides said, Mars was very interested in the interim in trying to prevent the offending products from being imported into Dubai. The Mars delegation gave a presentation to Dubai Customs IPR unit, and intends to compile a file of importers for Customs to target. CG indicated to the Mars representatives that the consulate would also be willing to flag the issue for Dubai Customs. PolEconoff later spoke with the legal advisor in Dubai Customs IPR unit, who confirmed Customs' willingness stop the importation of the Turkish products as soon as Mars Inc. provided the names of the importing entities, which would enable Dubai Customs to conduct the necessary traces.

7.(C) In late February, Al Tamimi and Associates, a Dubai-based law firm, provided an update to a case the BSA is pursuing in Sharjah. Three companies there (Al Shrouq Electronics, Hantoosh General Trading and Grace Consultant) are using unlicensed Autodesk Inc. software. In late January, after experiencing foot-dragging and a botched police raid on one of the companies, BSA contacted the UAE Minister of Interior, Sheikh Saif bin Zayed Al Nahyan, to try to resolve the issue. As of March 19, the BSA and Al Tamimi are still awaiting a response; they indicated to us that they are not yet ready to request that the USG approach federal or Sharjah authorities to request resolution of the matter.